

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Govt drafts law to introduce pension for all

- The government has drafted a law to introduce universal pension scheme for people aged between 18 years to 50 years. The finance ministry sought opinions from the stakeholders by April 12. For each citizen, a separate pension account will be created. As a result, the account will remain unchanged even if a beneficiary changes his or her job.
- Each citizen would pay a minimum amount of monthly fee, the expatriates will be able to pay the fee quarterly. The instalment for pension will be considered as investment and tax rebate while the monthly pension will remain out of income tax. The government may pay a portion of the monthly instalment for the lower income group people and bear the necessary expenditures of the pension authority and the other relevant organisations.
- The pension authority will invest the amount deposited to the fund as per guideline (in ensuring maximum financial return). The 15-member governing board which has proposed different rules and regulations for the scheme under the supervision of the finance ministry include people from the government and private sectors.

<https://www.thedailystar.net/business/news/govt-drafts-law-introduce-pension-all-2993991>

Moody's affirms Bangladesh's rating at Ba3 with a stable outlook

- Moody's Investors Service ("Moody's") has affirmed Bangladesh's long-term issuer and senior unsecured ratings at Ba3 and maintained a stable outlook. The short-term issuer ratings stand at Not Prime.
- Moody's gave the affirmation considering that the growth rebound following the pandemic will continue to anchor macroeconomic and external stability. However, weak revenue generation capacity continues to reduce debt affordability and limits Bangladesh's fiscal flexibility.
- Moody's expects real GDP growth to reach 6% in fiscal 2022 and 6.5% in fiscal 2023, driven by exports and domestic demand. The debt burden remains moderate, and Moody's expects it to remain below 40% of GDP over the next few years, anchored by strong growth.
- Moreover, continued access to concessional funding (30% of general government debt and more than 70% of government external debt), even after pandemic-related support expires, is key to mitigating debt financing costs.

<https://www.tbsnews.net/economy/moodys-affirms-bangladeshs-rating-ba3-stable-outlook-393682>

Pvt sector credit growth falls slightly in Feb

- Private sector credit growth fell by 0.35 percentage points in Feb'22 compared to the previous month after a rally for the first eight months of the current fiscal year mostly powered by burgeoning import and export. However, the growth is still 10.72% higher compared to the corresponding month of the last year. Private sector loans amounted to around 11.53 trillion in Feb'21, which increased to around 12.77 trillion in Dec'22.
- Sector people said the surged imports, especially a rise in capital machinery import, has led to an increase in private sector loans. In the first seven months of the current 2021-22 fiscal year, the rate of LC opening increased by 49%, while LC settlement increased by 52.50% – pushing up the demand for US dollars. Meanwhile, export earnings soared about 31%, while remittance in the July-January period dropped by 19.46%.

<https://www.tbsnews.net/economy/pvt-sector-credit-growth-falls-slightly-feb-394234>

Banks must provide large loans info with new exposure limits

- Bangladesh Bank has asked all banks to submit information on their large loans from this April as per the new exposure limits fixed at the beginning of the year. Information for each month must be submitted to the central bank by the 10th of the following month, according to a circular issued on Wednesday.
- For both funded and non-funded loans, at present, a bank can lend up to a maximum of 35% of its total capital to a single customer. This limit has been changed to 25%.
- On the other hand, for the large loans, six slaps have been fixed according to the ratio of the classified loan. The first slap is, if a bank has a classified loan ratio of 3%, the large loan can be given 50% of its total loan and advances. Earlier, it was 5% and 56%, respectively. The last slap is if a bank has a classified loan ratio over 20%, the large loan can be given 30% of its total loan.

<https://www.tbsnews.net/economy/banks-must-provide-large-loans-info-new-exposure-limits-394230>

Automation gaining ground in garment

- Automation has been substantially coming about in garment factories, with modern machinery being used to make high-end garments and increase productivity in attempts to become more competitive globally. Almost all the regulation-compliant garment factories, especially the 157 with Leadership in Energy and Environmental Design (LEED) certification, have already automated major sections of the factories, producing sophisticated apparel items, mainly outerwear, using robotics.
- Vice-president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) told that nearly 80 per cent of apparel factories have been using modern machineries for improving productivity and efficiency. But in terms of the use of robotics, artificial intelligence and algorithm, it is between 5-10 per cent.
- Managing director of Team Group told that over the next 10 years, local apparel exporters have to adopt new technologies to be more competitive. He added that automation is now saving up 10-15% on costs, while requiring lesser number of workers.

<https://www.thedailystar.net/business/economy/news/automation-gaining-ground-garment-2994681>

ONGC finds well dry, ditches gas drilling

- India's ONGC Videsh Ltd has plugged and abandoned drilling Kanchon gas well as the firm couldn't discover any hydrocarbon in the shallow-water gas block. The explorers drilled in search of a commercially viable deposit of gas in the block SS-04 situated on Moheshkhali Island in the Bay of Bengal, a senior energy ministry official told the FE Wednesday.
- The Indian firm was, however, upbeat about discovering three layers of gas structures having the total gas potential resources of around 1.0 trillion cubic feet (Tcf) in the SS-04 block covering some 7,269 square kilometres (sq km), which prompted the company to carry out the exploratory drilling.

<https://today.thefinancialexpress.com.bd/last-page/ongc-finds-well-dry-ditches-gas-drilling-1648664908>

Govt to buy LNG at lower price

- The government on Wednesday decided to purchase 3.36 Mn MMBTU liquefied natural gas for USD 35 each unit from M/S. Vitol Asia Pte Ltd, Singapore, which is one dollar less than the previous purchase deal.

<https://www.newagebd.net/article/166801/govt-to-buy-lng-at-lower-price>

Insurance regulator puts pressure on 30 firms to comply with 60% shareholding

- The insurance regulator has asked the insurance companies again to ensure that their owners hold 60% shares in their paid-up capital to comply with the regulatory requirements. The Insurance Development and Regulatory Authority (IDRA) has also directed the non-life insurance companies to maintain a minimum paid-up capital of BDT 400 Mn as per law.
- Currently, 23 firms out of 30 comply with the rule regarding the minimum required paid-up capital, but no firm holds a 60% share of their paid-up capital. According to the rules, life insurance companies have to maintain a minimum of BDT 300 Mn and non-life insurance companies a minimum of BDT 400 Mn paid-up capital..

<https://www.tbsnews.net/economy/stocks/insurance-regulator-puts-pressure-30-firms-comply-60-shareholding-394190>

Listed cos asked to provide info about directors' loans

- The Bangladesh Securities and Exchange Commission has asked all listed companies to provide information about loans sanctioned by banks or other financial institutions against a lien or pledge of shares of their directors and shareholders who hold more than 10% shares of the company. The companies have also been asked to give information about their directors and shareholders who took margin loans from stockbroker or portfolio manager.

<https://www.newagebd.net/article/166773/listed-cos-asked-to-provide-info-about-directors-loans>

BDT 100b spl fund coming to boost bourses

- A special fund worth BDT 100 billion is to roll on bourses along with measures for increasing institutional participation in stock trade as per a consensus between the regulator and market operators. The Bangladesh Securities and Exchange Commission (BSEC) and the associations of market operators Wednesday reached the decision in principle to work out market-boosting means.
- The representatives of the Bangladesh Merchant Bankers' Association (BMBA) assured of injecting fresh funds worth around BDT 2-3 billion through the own portfolios of merchant banks during Ramadan. The representatives of DSE Brokers Association also told in the meeting that the stockbrokers would also support the market through injecting around BDT 10 million by each stockbroker through their own portfolios.

<https://today.thefinancialexpress.com.bd/first-page/tk-100b-spl-fund-coming-to-boost-bourses-1648664442>

IPDC registers BDT 880 Mn net profit

- IPDC Finance Limited registered a net profit of BDT 880 Mn in 2021. IPDC's revenue has increased by 21.7% and the company has earned 24.9% higher net profit during 2021. The loan portfolio of IPDC has grown by 21.9 per cent from the previous year. This growth has been possible due to the notable growth of SME and Emerging Corporate loan portfolios, it said.

<https://www.thedailystar.net/business/news/ipdc-registers-tk-88-core-net-profit-2994056>

JMI Hospital posts 6% profit growth in H1

- JMI Hospital Requisite Manufacturing Limited posted a 6% profit growth for the July to December period of 2021 compared to the same period a year ago. The company is set to make its share trading debut at the Dhaka Stock Exchange (DSE) today (on Thursday) under the 'N' category.
- During 1HFY22, JMI's profit rose to BDT 116.1 Mn from BDT 109.2 Mn, and EPS to BDT 1.29 from BDT 1.21 in the previous fiscal's first half. During 2QFY22, its net profit grew to BDT 59.8 Mn from BDT 54.6 Mn.

<https://www.tbsnews.net/economy/stocks/jmi-hospital-posts-6-profit-growth-h1-394086>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 103.12	USD 27.91	37.11%
Crude Oil (Brent)*	USD 109.00	USD 31.22	40.14%
Gold Spot*	USD 1,927.01	USD 97.81	5.35%
DSEX	6,753.76	-2.89	-0.04%
S&P 500	4,602.45	-163.73	-3.44%
FTSE 100	7,578.75	194.21	2.63%
BSE SENSEX	58,683.99	430.17	0.74%
KSE-100	44,337.56	-258.51	-0.58%
CSEALL	9,294.89	-2,931.12	-23.97%

Exchange Rates**1 US Dollar = 86.23 BDT****1 GBP = 113.23 BDT****1 Euro = 96.35 BDT****1 INR = 1.13 BDT**

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